

# **CITY OF HAYWARD**

## **AGENDA REPORT**

AGENDA DATE 03/15/05

AGENDA ITEM \_\_\_\_\_

WORK SESSION ITEM 2

**TO:** Mayor and City Council  
Planning Commission

**FROM:** Director of Community and Economic Development

**SUBJECT:** South Hayward BART/Mission Boulevard Concept Plan

### **RECOMMENDATION:**

It is recommended that the City Council and Planning Commission review and comment on this report.

### **BACKGROUND:**

In October of 2004, the City Council authorized the preparation of a conceptual design plan for the South Hayward BART/Mission Boulevard area. This area was previously included in the expansion of the Downtown Hayward Redevelopment Project area in 2001. The proposed Concept Plan will focus primarily on two areas: the immediate area surrounding the BART station and an expanded area extending both north and south along Mission Boulevard. More specifically, for the BART station this includes the area that extends through the Dixon Road area to the Mission-Industrial intersection. The portion of the Mission Boulevard corridor between Harder Road and Industrial Parkway includes a mix of residential and commercial land uses in structures of varied age and condition. In the vicinity of the South Hayward BART Station, opportunities still exist within walking distance of the station to encourage transit-oriented development, particularly on vacant and underutilized properties.

The study area comprises approximately 240 acres, including streets (see Exhibit A). The study area is bordered by the BART tracks on the west (excluding the residential neighborhoods west of East 12<sup>th</sup> Street and north of Sorensen Road), Industrial Parkway on the south (including the triangular area on the south side), Harder Road on the north, and Mission Boulevard on the east (including commercial properties along the east side of Mission Boulevard between Garin Avenue and Calhoun Street).

The study area is being evaluated in terms of the opportunities and constraints for future development and redevelopment as well as its relationship to major activity centers such as the South Hayward BART Station. A number of technical and environmental studies are being undertaken by various consultants as part of this study. The study will result in the development of a conceptual design for the study area that illustrates how future redevelopment of the area

could be compatible with the surrounding neighborhoods. In addition, the conceptual design will articulate an overall circulation pattern and transportation linkages for the South Hayward BART Station. Input from BART is critical to this study and a close working relationship is being maintained throughout the process. It is anticipated that the concept plan will be sufficiently detailed so as to provide a framework for reviewing private sector development proposals and public agency capital improvements and related activities.

The overall planning process is expected to require approximately ten months. The initial community workshop was held on January 19, 2005, at Treeview School. The primary purpose of that meeting was to identify issues and concerns that need to be addressed during the study. A summary of comments at the workshop has been posted on the city's website and is included here as Exhibit B. At the second community workshop later this spring, alternative development concepts will be presented, and participation by study area residents, landowners and businesses will be solicited in exploring and understanding the implications of the alternatives. It is anticipated that the draft Concept Plan will be presented at a third community meeting later in the summer, followed by public hearings before the Planning Commission and the City Council/Agency Board in the fall.

## **DISCUSSION:**

As noted previously, a number of technical and environmental studies are being undertaken by various consultants as part of this study. During the current phase, four background studies, or baseline assessments, have been prepared and are attached to this report for your review and comment. Highlights from each report are summarized below.

The **Land Use and Urban Form Assessment** (see Exhibit C), prepared by Community Design +Architecture, provides an overview of the existing land use pattern in the study area and also identifies opportunities and constraints for future development within each subarea.

**Subarea #1.** This subarea includes the two parcels on the southwest corner of the Mission Boulevard/Harder Road intersection. The size, visibility, and accessibility of the two parcels in this sub-area (primarily the Kmart) could accommodate more intensive uses - either residential, commercial or mixed - possibly structured on a finer-grain circulation pattern. Alternatively, the parcel may be suitable as a southern gateway to Auto Row.

**Subarea #2.** This subarea includes all parcels from the Kmart site south to Jefferson Street. The existing architectural condition of the Haymont Shopping Center is not significant enough to preclude the site from redevelopment. Parcel depths are sufficient to accommodate a double row of parking behind new development that would directly front Mission Boulevard. Parking along the frontage is also possible by the use of a local access lane similar to the site's existing parking configuration, but with a more clearly defined public sidewalk. Access from Mission Boulevard to this segment is possible off Sorenson Road, but more problematic further north where it would likely be limited to right-in and right-out.

Subarea #3. This subarea includes all parcels fronting Mission Boulevard (both sides) between Jefferson Street and Tennyson Road. Along the west side of Mission Boulevard access issues remain a concern for parcels between Jefferson Street and Hancock Street. A possibility may exist to introduce a local access road fronting the west side of Mission Boulevard (in a configuration similar to that described in Subarea 2) that services commercial strip uses within the segment, and provides parking. Between Hancock Street and Tennyson Road access to parcels is improved although parcels remain fairly shallow (100 feet). Preliminary ownership observations reveal however that several parcels are under one ownership thus improving parcel assembly possibilities. Parcels located on the east side of Mission Boulevard are perhaps less viable for commercial uses given that they are not located on the "homeward-bound" side of the prevailing traffic flow.

Subarea #4. This subarea includes the BART station, intermodal access facilities, BART parking lots, and all parcels fronting Mission Boulevard between Tennyson Road and Valle Vista Avenue. Potential exists to create a transit village of mixed-use development on BART property and many surrounding parcels in private ownership. Additional opportunities to link new development to Mission Boulevard are provided by the State-held property and possibly public right-of-way (Dixon Street). By reorganizing the existing intermodal facilities on BART property, the transit-oriented development will be optimized. In order to develop the BART property, surface parking will require building structured replacement parking. Through analysis of joint development arrangements on several adjacent sites to BART, the opportunity to create a shared parking facility warrants a more refined analysis of this subarea. The larger parcels on the east side of Mission Boulevard are appropriate for more intensive residential development.

Subarea #5. This subarea includes all parcels along Dixon Street from Valle Vista Avenue to Industrial Parkway and along the south side of Valle Vista Avenue. The State-owned property on either side of Dixon Street has prime development potential. The overall size would allow for an internal circulation system. The existing drainage canal on the Caltrans property could potentially be incorporated into some open space connection within the site – e.g a multi-purpose path along it that connects Mission Boulevard with Caltrans and Flood Control District properties along the BART tracks on the north side of Industrial Parkway.

Subarea #6. This subarea includes all properties fronting Mission Boulevard between Valle Vista Avenue and Industrial Parkway. Commercial uses would likely be viable on the west side of Mission Boulevard by capturing the homeward-bound traffic. On the east side of Mission Boulevard, a new senior housing project is planned for the roller rink site. It is possible that this may be a catalyst for development of the adjacent sites as well.

Subarea #7. This subarea is comprised primarily of the Holiday Bowl site, the adjacent multi-family apartments and parcels across Mission Boulevard north of Garin Avenue. The entire Triangle Site Subarea has high visibility and accessibility to homeward-bound traffic. It's proximity to the Mission Hills of Hayward Golf Course is a visual amenity that could be captured.

The **Transportation Access Assessment** (see Exhibit D), prepared by Nelson/Nygaard Associates, addresses the existing circulation pattern and traffic conditions in the study area, and specifically focuses on transit and pedestrian access. Key issues identified include the following:

**Parking.** South Hayward is one of the few stations where BART commuter parking does not fill to capacity. Coupled with BART's access policies to reduce the access mode share of single occupant vehicles, and its new replacement parking analysis methodology, this suggests that there is some flexibility in determining the optimum number of replacement spaces that will be required. Residential and commercial parking requirements are a second issue that will need careful analysis.

**Transit transfers.** The bus intermodal facility consumes a large amount of prime land directly in front of the faregates. BART's station access guidelines stress that bus intermodal facilities need to be as close as possible to the station; however, efficiency gains may be possible if not all buses "pulse" at the station, and through accommodating layovers elsewhere. For several routes, particularly Mission Boulevard services that deviate into the station, it is important to reduce travel time by ensuring that bus access is as efficient as possible. While the existing AC Transit network provides good coverage, there are opportunities to provide more frequent service on some corridors.

**Pedestrian and bicycle access.** Dixon, Harder, Tennyson and Industrial Pkwy are the four key streets that need to accommodate bicycles, in line with the City's Bicycle Plans. Tennyson in particular is an important east-west connection in the south of the City, and connects to Whitman (for downtown access) and Huntwood (for trips to the south). For pedestrians, Mission Blvd, the Tennyson crossing and access across the tracks are critical issues. As Mission redevelops, its importance for pedestrians will grow significantly, and will need to be addressed as a commercial street as well as an arterial.

The **Retail and Residential Market Assessment** (see Exhibit E), prepared by Strategic Economics, provides an overview of the current economic conditions affecting commercial and residential development in the study area. This analysis will help frame the preliminary land use alternatives. Preliminary findings are summarized below.

**Demographic Summary.** The area that includes the South Hayward BART station and South Mission Boulevard corridor experienced considerable growth from 1990 to 2000, with an overall population increase of 36 percent and the addition of nearly 1,500 households. During the same decade Hayward as a whole grew by 26 percent. With fewer development opportunities available since 2000, growth has slowed significantly in the neighborhood that includes the Study Area. The extent and character of new residential development in the Study Area, in large part, will shape the area's retail opportunities. The 2000 average household income of \$65,800 indicates middle-income buying power levels. Population growth and rising income levels in the Primary Market Area are good indicators of its marketability as a housing location, and also signal potential new retail market opportunities. Many retailers will be interested in the changing local demographic profile of the South Hayward BART/Mission Boulevard Primary Market Area as it relates to development opportunities in the Study Area.

**Retail Market.** As the population has grown, neighborhood retail has remained largely unchanged. Shopping centers within the Study Area on Mission Boulevard tend towards a tenant mix with a particular ethnic focus and/or a discount orientation. All these centers follow traditional suburban shopping center formats and lack design elements or amenities that encourage casual gathering or lingering. There has been no new shopping center development activity since the early 1990s, and very little reinvestment in other types of retail properties. The newest grocery-anchored retail space (Mission Plaza, 1991) commands rents that are commensurate with other similar shopping centers throughout the region, while most of the Study Area's rents are much lower and typical of space that has not experienced any significant reinvestment by the property owners. Given the strong occupancy rates in both older and newer shopping center space in the Study Area, there is very strong market potential for neighborhood-serving retail space within the context of a more contemporary physical format that incorporates walkability and gathering places.

**Residential Market.** While prices throughout the region may level with the anticipated rise in interest rates, the long-term prognosis for the Bay Area is that the ownership housing market will remain strong given its desirability as a place to live. Once the economy improves, the apartment rental market will also regain momentum. Worsening congestion with growth also continues to bolster the relative marketability of both rental and for-sale homes near BART stations. The strong market in the Study Area, combined with regional housing supply constraints, position the Study Area for capturing significant new housing development within a range of product types from apartments to single family homes, townhomes and stacked condos. Appropriately positioned new ownership housing with quality design in the Study Area could command prices in the range of 20 to 25 percent higher than current Housing Market Area prices. Quality rental product would likely achieve rents roughly 40 percent higher than current area prevailing rents, once the rental market stabilizes.

**Rental Housing.** Development of rental housing is not likely in the near-term, in the Study Area nor in most parts of the Bay Area. However, as the regional economy improves, and as interest rates rise and fewer entry-level households are able to purchase homes, the rental market will stabilize and then improve significantly. Apartments convenient to transit have an advantage over non-transit locations. While new apartment may not prove feasible in the near-term, any planning effort should be predicated upon the likelihood that they will be a viable use when the economy improves.

**Attached For-Sale Housing.** There is strong near and long-term market demand for for-sale attached housing within the Study Area. While a rise in interest rates will likely cause prices to flatten, for-sale housing will remain marketable in the Study Area, particularly if its design fosters a more physically coherent and interconnected neighborhood. Depending upon the location, a range of product types may be considered, including condos, townhomes and lofts. Lofts appear to be the least appropriate product for this location from a market standpoint, however they may be suitable for certain parts of the Study Area where condos or townhomes are less marketable given the traffic levels on Mission Boulevard. Near the BART station, where the higher density apartment housing currently exists, is the best location for maximizing density

through stacked development (condos, lofts) or a mixture of stacked development and townhomes. In areas where predominantly single family and small apartments currently exist, townhomes will likely be more appropriate. Also important will be to scale density according to adjacent uses, and to graduate development from higher density to lower density product.

Household Types. There is excellent potential for a variety of housing types in the Study Area and near BART. Nationally, profiles of households living near transit show that small households without children are the largest target market for Transit Oriented Development (TOD), specifically singles, couples and empty nesters. New transit-oriented housing in downtown Hayward, however, has attracted more families with children than is typical of TOD in more urban places. The Study Area's popularity with families and the presence of six public and private schools nearby also have implications for the types of households that will continue to choose South Hayward in the future. Families with children therefore present a strong target market for new housing. Accordingly, new rental and for-sale attached housing should target small households and families with children. The greatest appeal to young singles, couples and empty nesters will be achieved through the provision of convenient retail and services within an integrated mixed use environment. Families with children may prioritize the provision of play areas within a project. The diversity of household types will be best served with a range of unit types, sizes and amenities.

The **Fiscal Overview** (see Exhibit F), also prepared by Strategic Economics, provides an overview of the study area's current contribution to the General Fund and focuses especially on property and sales tax revenue. This analysis identifies potential implications for future development and reinvestment in the study area, and will assist in assessing the fiscal impacts of alternative development scenarios. The more significant implications are summarized below.

The study area contributes only a small share of the City's general fund revenues, but several parcels within the area are major property or sales tax generators in the City. The fiscal contribution of these parcels should be a factor in selecting areas for reinvestment, although other factors may warrant greater consideration.

Higher density residential development in the study area generates significantly more property tax per acre than other types of development; however, depending on the demographics of the households, this type of development may have greater service demands, which to some extent will counteract the benefit of increased property tax revenue. For example, the greater number of people may result in increased calls for fire or police services and also increased demand for parks and recreation facilities. This is an issue that will need to be explored through future fiscal impact analysis if this type of development is proposed for sites in the study area.


Reinvestment stimulates property values within the study area, but has much more significant impacts that could increase City revenues. For example, reinvestment in the study area could stimulate property value increases outside of the redevelopment boundaries, in the single family housing to the west of the area. Reinvestment might also increase retail sales along Mission Boulevard, leading to increased sales tax revenue for the City.

As with City departments, the impact on non-City districts such as the Hayward Area Recreation District (HARD) and the Hayward Unified School District (HUSD) will depend on the type of proposed development and the demographics of new households. For example, new larger residential units, whether rental or ownership, tend to attract households with school age children more often than smaller types of residential units. The presence of additional children also increases the potential service costs of HARD. New development in the area will also generate revenue from property tax and development fees, which is allocated to these districts. The fiscal impact analysis will not measure the costs of development for these independent districts, but will calculate the expected fee revenue from new development.

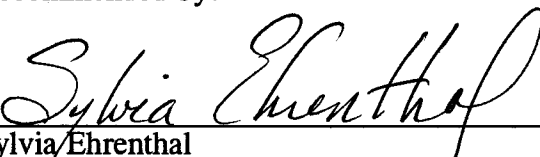
#### CONCLUSION:

A considerable amount of information has been presented in the assessments prepared by the consultants. Councilmembers and commissioners may wish to offer their own observations. Staff welcomes such comments, especially where they may represent differing viewpoints or indicate where information is lacking. Staff would also appreciate learning which aspects of the findings or suggested alternatives are particularly appealing. It is anticipated that the discussion will provide valuable input as staff and the consultants begin formulating conceptual alternatives. We envision being able to present these alternatives for review at a subsequent joint work session within the next two months.

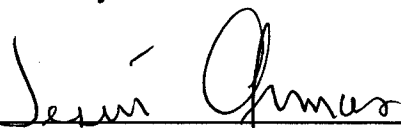
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**Attachments:**

- Exhibit A. South Hayward BART/Mission Boulevard Concept Plan Subareas**
- Exhibit B. Summary of Comments at Community Workshop**
- Exhibit C. Land Use and Urban Form Assessment**
- Exhibit D. Transportation Access Assessment**
- Exhibit E. Retail and Residential Market Assessment**
- Exhibit F. Fiscal Overview**

3.10.05



**DUE TO THE LENGTH OR COLOR  
OF THE REFERENCED EXHIBIT,  
IT HAS BEEN ATTACHED AS A  
SEPARATE LINK.**

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**South Hayward BART/Mission Boulevard Concept Plan  
Community Meeting  
January 19, 2005**

**SUMMARY OF COMMENTS**

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The following is a summary of the comments made by persons attending the initial community meeting held at Treeview Elementary School on January 19, 2005. Approximately 75 persons attended the meeting. Participants were asked to list those topics or areas that need to be addressed during the study. Comments were generated during a question/answer period, as well as from written comments posted on a large map of the study area. Comments made during the question/answer period are indicated by the word "Speaker" following the comments. All other comments should be assumed to be from written responses. Comments, clarifications and questions regarding the planning process and the relationship to larger redevelopment issues are not included in this summary. For the most part, comments are location-specific and are therefore organized under the respective sub-area. More specific locations/parcels are further indicated in square parenthesis. More general comments relating to the entire study area are noted first.

*General Comments*

- The Study is a opportunity to make improvements to BART facilities, including replacement of the fencing and the pedestrian overpass. Is it possible to build concrete soundwalls along the BART track? (Speaker)
- Concrete soundwalls don't work – "green" soundwalls filter/reduce noise better. (Speaker)
- The pedestrian overcrossing [at Sorenson] needs improvement, but it is necessary and people depend upon it. (Speaker)
- Underground the utilities (Speaker and repeated twice in written comments)
- Hide parking so that Mission Boulevard is not fronted with only parking lots – similar to what was done at the Albertsons. (Speaker)
- Create more park area in the Tennyson Road area and improve bike and bus connections to BART (Speaker)
- Put apartments above shops along Mission Boulevard – like they do in Europe.
- When will this be accomplished?
- Need for more parkland and recreational facilities
- Parcels on the east side of Mission south of Tennyson are not viable for commercial or retail uses. Put commercial and retail uses on both sides of Mission north of Tennyson.

- Adult day center/services for seniors; healthcare services for low-income seniors
- Area needs a large comprehensive community center run by HARD with classes for all ages.
- Volvo dealership near BART
- Safeway and/or Trader Joe's
- Encourage development, not redevelopment.
- Development along Mission should be attractive and well-landscaped.
- What about widening Mission Boulevard?
- Make zoning consistent so it will be easier to develop and join smaller land for usable land.
- What would be done to help with the already congested Mission Blvd?
- We need more homes for Cal state students; some retail stores and Mission Mall; remove old buildings; [illegible] required funds are there; use the vacant properties; invite new businesses; attract more new home owners

## *Comments Pertaining to Sub-Areas*

### **Sub-Area #1 – Kmart Site**

- Kmart site would make a good dealership site – provide jobs and sales tax.
- Place amusement parks to increase the value of the property.

### **Sub-Area #2 – North End Mission Boulevard**

- Relocate auto paint shops to industrial area.
- Please don't include residential on Jefferson Street.
- Would this be a transit village? [Mission Plaza]
- Good restaurant [SW corner of Sorenson and Mission]
- Remove pedestrian walkway [over BART] at Sorenson Road.
- Improve Sorenson Road – put no parking back on the apartment side of the street and no parking on the turn on to Luvena Drive.
- Alternative access to Bowman School
- The Bowman school site and the Mission frontage property have great potential for rebuilding the school and providing access from Mission.
- Recreation facilities: public park, senior center, community center [Bowman school site]
- Access to Bowman school from Mission thru vacant fruit stand property – relieve traffic on Jefferson Street
- Add a sound wall [along BART] from Sorenson Road to Harder Road. [outside Study Area]

### **Sub-Area #3 – Jefferson to Tennyson Segment**

- Reduce auto dealership [east side Mission]
- Get rid of auto dealership [east side Mission]
- Multi-family residential [east side Mission].
- Mini-shopping mall with garage parking [east side Mission].
- Professional offices; parking in the rear not to be seen from Mission [east side Mission]
- Moreau High School traffic could probably be alleviated in this area. [east side Mission]
- Moreau High School traffic on Calhoun needs to be redirected. [east side Mission]
- Will this affect Moreau High School and St. Clement's church?
- What is appropriate [illegible] to Mission? How many types of uses could work next to five lanes of traffic?
- Post office on Mission
- Commercial development around the BART station and along Mission should cater to local population.
- The sidewalk area and medians along Mission should be attractively landscaped.
- Please put speed bumps on E. 12<sup>th</sup> St. Cars just fly thru the street; very much needed [outside study area]

### **Sub-Area #4 – BART Site and Vicinity**

- Build a BART parking structure.
- Where should traffic light be to quarry?
- What should setback be from Mission? Section for entire street.
- How is the area tied to the quarry development?
- Can [illegible] density work?
- Retail stores on corner of Valle Vista and Mission – both sides
- Can Caltrans site [adjacent to Perry and Key site] be made to connect from Mission to BART?
- Does BART really need this lot? [eastern lot] It is always/often empty.
- BART transit village [Perry and Key site]
- Medium-density residential [Perry and Key site]
- Shops should be close to housing and BART and provide for a wide range of shopping needs to facilitate car-free living.
- Build an overhead cable car from Cal State to BART.
- High density quality housing near BART; pedestrian friendly with necessity shops nearby such as dry cleaning, mini-market, etc.
- Why is BART site zoned agricultural?

- Bus transportation should be frequent and provide links between areas not serviced by BART.
- Walking and biking trails throughout area leading to BART
- More BART parking to accommodate new homes in Quarry area, etc.
- Housing should be affordable and within walking distance of BART.

### **Sub-Area #5 – Dixon Road Segment**

- Expand Valle Vista Park to seven acres; include recreational fields.
- Low-cost housing; need for certain percentage
- Better, safer sidewalks along Dixon and Valle Vista to BART
- On Dixon, designated school bus stops with crosswalk for kids along street
- Community center and residential area – housing – townhomes
- The Caltrans property and apartment area have good opportunity to bundle for large development site, ie. shopping.

### **Sub-Area #6 – South End Mission Boulevard**

- Quarry area from quarry to Bodega.
- Branch library
- Trader Joe's and other specialty shopping
- Better, safer sidewalks along Mission

### **Sub-Area #7 – Triangle Site**

- Park for small dogs
- Up-scale supermarket: Trader Joe's, Andronico's, Raley's – preferably on Bowling alley site/ (Supported by two other comments)
- Leave bowling alley alone.
- Ice cream parlor overlooking golf course (Supported by one other comment)
- Starbucks drive-thru; nice grocery store
- Tear down this apartment complex and replace it with modern, affordable housing. Presently, it projects a poor city image, particularly to the golfers visiting from neighboring cities.

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